

**CONSUMER PRICES INDEX**

March 2013

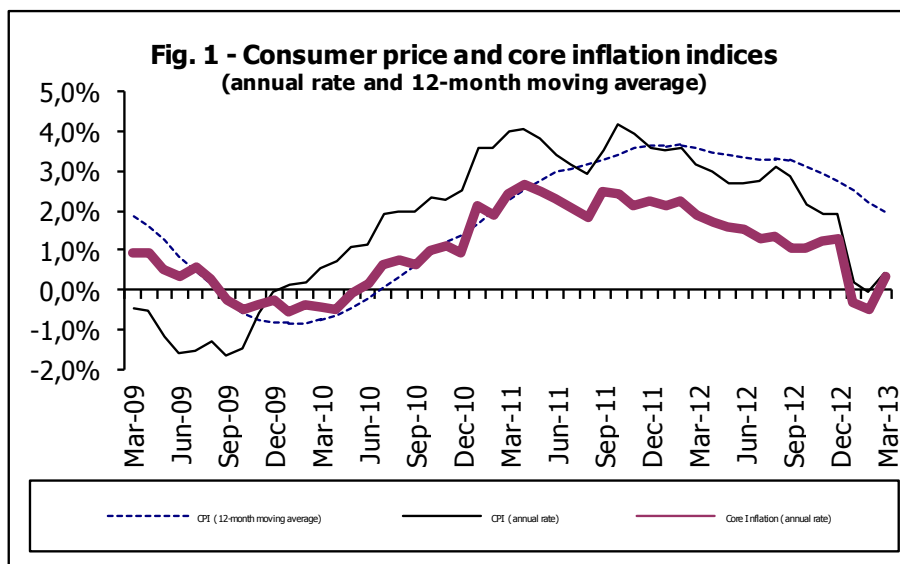
**The CPI 12-month average rate was 2.0% in March**

The CPI 12-month average rate of change moved from 2.2% in February to 2.0% in March. The core inflation index, which excludes unprocessed food and energy, was 1.0% (1.1% in February).

The HICP 12-month average rate decreased to 2.0% (2.3% in the previous month). In February 2013 the gap between the Portuguese and the Euro-area HICP 12-month average rate was -0.1 percentage points (p.p.). In February, with reference to Eurostat's flash estimate for the whole area<sup>1</sup>, it is estimated to have increased to -0.3 p.p..

The 12-month average rate of change of the Portuguese Consumer Price Index (CPI) decreased to 2.0% in March 2013 (2.2% in February). The 12-month core inflation rate, which excludes unprocessed food and energy, decreased 0.1 p.p. comparing with the rate observed in February to 1.0% in March. The main reductions were recorded in COICOP divisions 4 (Housing, water, electricity, gas and other fuels), 7 (Transports) and 6 (Health).

In March 2013, the annual inflation rate measured by the CPI increased 0.5 p.p. to 0.5%, comparing with the rate observed in the previous month.



The largest downward pressure on the overall annual rate of change came from changes in prices of COICOP division 7 (Transports).

<sup>1</sup> Estimate for the annual rate of change of the Euro area HICP, published 3<sup>rd</sup> April 2013.  
Consumer Price Index – March 2013

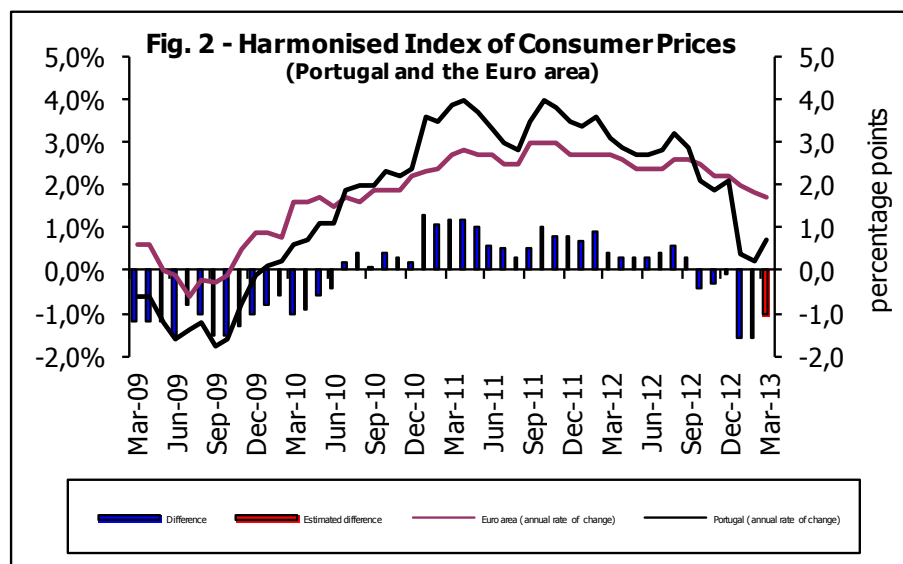
The annual core inflation rate, measured by the CPI excluding energy and unprocessed food products, increased from -0.5% in February 2013 to 0.3%.

In March, the CPI monthly rate was 1.7% (-0.1% in February 2013 and 1.2% in March 2012). This result was mostly due to the contribution of changes in prices of COICOP division 3 (Clothing and footwear).

In March 2013, the HICP 12-month average rate decreased to 2.0% (2.3% in February 2013).

In February 2013 the gap between the Portuguese and the Euro-area HICP 12-month average rate was -0.1 p.p.. In March, with reference to Eurostat's flash estimate for the whole area, it is estimated to have increased to -0.3 p.p..

The HICP annual rate of change increased to 0.7% (0.2% in February 2013). The HICP monthly rate of change was 1.7% (-0.1% and 1.2% respectively in the previous month and in March 2012). In February 2013 the gap between the annual rate of change of the Euro area and the Portuguese HICP was 1.6 p.p. and it is estimated to have decreased to 1.0 p.p. in March 2013.



### Housing Rents

In national terms, in March 2013, compared with February 2013, the average value of rents by net area decreased 0.2%. Non social rents decreased 0.2% and social rents increased 0.3%.

## Consumer Price Index

The Consumer Price Index (CPI) measures the change over time of the prices of a certain basket of goods and services bought by a "typical" consumer. The CPI has been designed to capture price changes and not to measure price levels. The CPI 2012=100 weighting structure and the sample of goods and services included in the basket are a result of the combination of three fundamental sources of information recently made available: the 2011 Census, the Household Expenditure Survey 2010/2011 and the final 2010 and preliminary 2011 results of the Portuguese National Accounts. Administrative data at a more detailed level is also used.

From 2013 onwards the CPI will be updated every year in a more effective way with the most recent information on prices and quantities.

The CPI is compiled through the aggregation of seven regional price indexes and the goods and services included in the index are grouped according to the COICOP classification.

**Table 1: CPI - COICOP<sup>1</sup> Divisions**

01	Food and non-alcoholic beverages	07	Transports
02	Alcoholic beverages and tobacco	08	Communications
03	Clothing and footwear	09	Recreation and culture
04	Housing, water, electricity, gas and other fuels	10	Education
05	Furnishings, household equipment and routine maintenance of the house	11	Restaurants and hotels
06	Health	12	Miscellaneous goods and services

<sup>1</sup> COICOP: Classification Of Individual Consumption by Purpose

### Monthly rate

The monthly rate is the change in the index of a certain month compared with the index of the previous month expressed as a percentage. Although up-to-date, this measure can be affected by seasonal and other effects.

### Annual rate

The annual rate is the change in the index of a certain month compared with the index of the same month in the previous year expressed as a percentage. In the presence of a stable seasonal pattern, seasonal effects do not influence this measure.

### 12-month average rate

The 12-month average rate is the change in the average index of one year compared with the average index of the previous year expressed as a percentage. This moving average is less sensitive to transient changes in prices.

### Core inflation index (all items CPI excluding unprocessed food and energy products)

The core inflation index is compiled by excluding the prices of unprocessed food and energy products from the all items CPI. The primary objective of this index is to capture the underlying inflation pressures in the economy.

### Harmonised Index of Consumer Prices

The Harmonised Index of Consumer Prices (HICP) is compiled in each member state of the European Union for the purposes of inflation comparisons across EU countries, as required by the Treaty on European Union<sup>1</sup>. This index plays an important role as a guideline for the achievement of the European System of Central Banks primary objective: price stability. In 1998, the European Central Bank adopted the HICP as "the most appropriate price measure" for its definition of price stability in the Euro area<sup>2</sup>.

The current HICP (2005 = 100) is produced in each Member State following a harmonized methodology developed by experts in the field of price statistics, under the Eurostat's "Price Statistics Working Group". From the methodological point of view, there are no major differences between the HICP and CPI. However, the different scope of coverage leads to differences in the weighting structure, mainly in Restaurants and hotels. This is mostly an effect of the inclusion of non-residents expenditure ("tourists") in the HICP and the corresponding exclusion from the CPI.

Additional information on the methodology of the HICP can be found on the Eurostat website at <http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/introduction>.

1 - Article 109j and protocol on the convergence criteria referred to in that article.

2 - "A stability oriented monetary policy strategy for the ESCB". ECB press notice released on 13 October 1998.

**Table 2: CPI and HICP 2013 weighting structure**

COICOP <sup>1</sup> divisions	CPI	HICP
01 Food and non-alcoholic beverages	196,1	191,1
02 Alcoholic beverages and tobacco	35,8	35,4
03 Clothing and footwear	66,6	66,2
04 Housing, water, electricity, gas and other fuels	92,9	89,6
05 Furnishings, household equipment and routine maintenance of the house	63,8	62,5
06 Health	70,2	65,1
07 Transport	143,4	144,7
08 Communication	36,9	35,9
09 Recreation and culture	78,6	68,5
10 Education	15,6	15,2
11 Restaurants and hotels	94,9	123,0
12 Miscellaneous goods and services	105,2	102,7
00 All items	1000,0	1000,0

<sup>1</sup> COICOP: Classification Of Individual Consumption by Purpose.

**Presentation of data and rounding rules**

With the release of the January 2013 CPI indices are published with base 100 in the year 2012.

Due to rounding procedures, those indices may not reproduce exactly the published rates of change. However, one should bear in mind that the published rates keep unchanged.

In this press release the descriptive analysis is based on rounded values to one decimal.

### CPI rate of change (index division and all items CPI)

	Index divisions <sup>(1)</sup>												All-items CPI
	01	02	03	04	05	06	07	08	09	10	11	12	
Annual average rate													
2010	-0.24	4.40	-1.66	4.43	1.60	-1.35	4.55	-1.95	-0.19	2.77	1.23	0.53	1.40
2011	2.10	7.94	-3.93	6.66	1.17	4.46	8.90	2.99	0.96	2.05	1.41	1.79	3.65
2012	3.20	4.74	-5.24	8.72	-0.47	0.35	3.27	0.46	0.91	1.50	4.47	1.11	2.77
Annual rate													
2011 March	2.70	8.78	-1.46	5.70	0.88	3.30	9.89	4.70	1.67	2.10	2.06	2.01	4.02
April	2.38	9.55	-1.50	5.55	1.06	3.81	10.34	4.34	1.55	2.16	1.64	1.95	4.04
May	2.49	9.47	-2.02	5.36	1.32	3.52	9.51	3.97	1.76	2.15	1.30	2.14	3.84
June	1.64	9.71	-2.55	5.31	1.39	2.61	8.72	3.29	1.31	2.18	1.32	2.01	3.41
July	1.71	8.87	-6.93	4.78	1.66	4.64	8.03	2.52	0.86	2.17	1.05	2.14	3.15
August	1.37	8.01	-11.96	4.80	1.37	4.49	8.56	2.51	0.50	2.23	1.03	2.09	2.91
September	1.82	7.34	-1.71	4.71	1.43	5.81	9.21	2.39	-0.15	2.13	1.25	2.02	3.55
October	2.18	7.24	-1.51	10.70	1.39	5.94	8.98	2.12	-0.16	1.82	0.95	1.79	4.20
November	2.06	6.50	-1.52	10.55	1.23	5.49	8.19	2.14	-0.20	1.74	1.03	1.39	3.93
December	2.20	5.59	-3.80	9.90	0.97	7.46	6.06	2.23	0.50	1.74	1.20	1.52	3.61
2012 January	3.32	4.48	-3.59	9.57	-0.03	5.85	4.50	0.34	-0.41	1.63	3.36	1.70	3.51
February	3.44	2.45	-2.73	9.61	-0.39	4.19	5.14	0.12	0.45	1.60	4.01	1.75	3.60
March	2.92	4.43	-5.97	9.77	-0.34	3.47	4.70	0.31	-0.14	1.58	3.79	1.29	3.15
April	2.83	4.81	-5.89	9.90	-0.25	2.41	3.69	0.25	0.44	1.56	4.27	1.44	3.01
May	2.64	4.89	-5.47	10.04	-0.22	0.67	2.72	-0.07	-0.04	1.55	4.65	1.41	2.70
June	3.34	4.72	-5.31	10.04	-0.60	-0.15	2.31	0.73	0.50	1.52	4.62	1.27	2.71
July	4.04	5.78	-5.00	10.35	-0.80	-2.06	2.10	0.47	0.89	1.52	4.98	0.85	2.77
August	3.27	5.22	-4.30	10.47	-0.55	-2.03	3.84	0.50	1.33	1.42	5.08	1.04	3.08
September	2.93	5.14	-7.35	10.85	-0.75	-1.80	3.78	0.67	2.17	1.48	4.87	0.94	2.88
October	3.18	5.18	-5.79	4.88	-0.62	-2.23	3.27	0.69	1.87	1.33	4.76	0.60	2.13
November	3.29	4.92	-5.59	4.81	-0.65	-2.00	1.64	0.69	2.05	1.43	4.72	0.67	1.89
December	3.21	4.79	-4.84	5.02	-0.45	-1.77	1.67	0.78	1.81	1.42	4.53	0.36	1.92
2013 January	2.29	5.00	-5.19	3.60	-0.41	-3.01	-1.42	-1.45	2.08	1.44	2.15	-0.36	0.17
February	2.00	5.12	-4.94	3.48	-0.25	-1.68	-1.60	-0.41	0.92	1.41	1.60	-0.34	-0.03
March	2.15	4.46	-4.53	3.11	-0.24	-0.83	-1.96	-0.58	1.60	1.44	1.81	-0.02	0.45
<b>Symbols:</b>	f estimated	Po provisional	x not available										
<b>Note:</b>	(1) The names of the divisions are given in the explanatory notes.												
<b>Source:</b>	INE - Portugal												

## HICP rate of change (international comparison)<sup>(1)</sup>

	EA-17 <sup>(2)</sup>	EICP <sup>(3)</sup>	BE	BG	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK
Annual average rate																													
2010	<b>1.6</b>	2.1	2.3	3.0	1.2	2.2	1.2	2.7	4.7	2.0	1.7	-1.6	1.6	2.6	-1.2	1.2	2.8	4.7	2.0	0.9	1.7	2.7	<b>1.4</b>	6.1	2.1	0.7	1.7	1.9	3.3
2011	<b>2.7</b>	3.1	3.5	3.4	2.1	2.7	2.5	5.1	3.1	3.1	2.3	1.2	2.9	3.5	4.2	4.1	3.7	3.9	2.5	2.5	3.6	3.9	<b>3.6</b>	5.8	2.1	4.1	3.3	1.4	4.5
2012	<b>2,5 f</b>	2,6 f	2.6	2.4	3.5	2.4	2.1	4.2	1.0	2.4	2.2	2.0	3.3	3.1	2.3	3.2	2.9	5.7	3.2	2.8	2,6 f	3.7	<b>2.8</b>	3.4	2.8	3.7	3.2	0.9	2.8
Annual rate																													
2011 March	<b>2.7</b>	3.1	3.3	4.6	1.9	2.5	2.3	5.1	4.3	3.3	2.2	1.2	2.8	3.2	4.1	3.7	4.0	4.6	2.8	1.9	3.3	4.0	<b>3.9</b>	8.0	2.4	3.8	3.5	1.4	4.0
April	<b>2.8</b>	3.3	3.1	3.3	1.6	2.8	2.7	5.4	3.7	3.5	2.2	1.5	2.9	3.5	4.3	4.4	4.0	4.4	2.4	2.1	3.7	4.1	<b>4.0</b>	8.4	2.0	3.9	3.4	1.8	4.5
May	<b>2.7</b>	3.2	2.9	3.4	2.0	3.1	2.4	5.5	3.1	3.4	2.2	1.2	3.0	4.1	4.8	5.0	3.8	3.9	2.5	2.3	3.7	4.3	<b>3.7</b>	8.5	2.4	4.2	3.4	1.7	4.5
June	<b>2.7</b>	3.1	3.3	3.5	1.9	2.9	2.4	4.9	3.1	3.0	2.3	1.1	3.0	4.5	4.7	4.8	3.8	3.5	3.1	2.3	3.7	3.7	<b>3.3</b>	8.0	1.6	4.1	3.4	1.5	4.2
July	<b>2.6</b>	2.9	4.0	3.4	1.9	3.0	2.6	5.3	2.1	3.0	2.1	1.0	2.1	3.5	4.2	4.6	3.2	3.1	2.4	3.2	3.8	3.6	<b>3.0</b>	4.9	1.1	3.8	3.7	1.6	4.4
August	<b>2.5</b>	3.0	3.4	3.1	2.1	2.4	2.5	5.6	1.4	2.7	2.4	1.0	2.3	2.7	4.6	4.4	3.7	3.5	2.5	3.2	3.7	4.0	<b>2.8</b>	4.3	1.2	4.1	3.5	1.6	4.5
September	<b>3.0</b>	3.3	3.2	2.9	2.1	2.4	2.9	5.4	2.9	3.0	2.4	1.3	3.6	2.5	4.5	4.7	3.8	3.7	2.8	3.0	3.9	3.5	<b>3.5</b>	3.5	2.3	4.4	3.5	1.5	5.2
October	<b>3.0</b>	3.3	3.2	3.0	2.6	2.7	2.9	4.7	2.9	3.0	2.5	1.5	3.8	3.2	4.3	4.2	3.8	3.8	2.5	2.8	3.8	3.8	<b>4.0</b>	3.6	2.9	4.6	3.2	1.1	5.0
November	<b>3.0</b>	3.3	3.5	2.6	2.9	2.5	2.8	4.4	2.8	2.9	2.7	1.7	3.7	4.0	4.0	4.4	4.0	4.3	1.7	2.6	3.9	4.4	<b>3.8</b>	3.5	2.8	4.8	3.2	1.1	4.8
December	<b>2.7</b>	3.0	3.2	2.0	2.8	2.4	2.3	4.1	2.2	2.4	2.7	1.4	3.7	4.2	3.9	3.5	3.4	4.1	1.5	2.5	3.4	4.5	<b>3.5</b>	3.2	2.1	4.6	2.6	0.4	4.2
2012 January	<b>2.7</b>	2.9	3.3	1.9	3.8	2.8	2.3	4.7	2.1	2.0	2.6	1.3	3.4	3.1	3.4	3.4	3.2	5.6	1.7	2.9	2.9	4.1	<b>3.4</b>	2.8	2.3	4.1	3.0	0.7	3.6
February	<b>2.7</b>	2.9	3.4	2.0	4.0	2.7	2.5	4.4	1.7	1.9	2.5	1.6	3.4	3.1	3.3	3.7	3.3	5.8	2.6	2.9	2.6	4.4	<b>3.6</b>	2.7	2.8	4.0	3.0	1.0	3.4
March	<b>2.7</b>	2.9	3.1	1.7	4.2	2.7	2.3	4.7	1.4	1.8	2.6	2.2	3.8	3.5	3.2	3.7	2.9	5.5	2.6	2.9	2.6	3.9	<b>3.1</b>	2.5	2.4	3.9	2.9	1.1	3.5
April	<b>2.6</b>	2.7	2.9	2.0	4.0	2.3	2.2	4.3	1.5	2.0	2.4	1.9	3.7	3.6	2.8	3.3	3.0	5.6	3.8	2.8	2.3	4.0	<b>2.9</b>	1.9	2.9	3.7	3.0	1.0	3.0
May	<b>2.4</b>	2.6	2.6	1.8	3.5	2.1	2.2	4.1	0.9	1.9	2.3	1.9	3.5	3.7	2.3	2.6	2.7	5.4	3.7	2.5	2.2	3.6	<b>2.7</b>	2.0	2.4	3.4	3.1	0.9	2.8
June	<b>2.4</b>	2.5	2.2	1.6	3.8	2.2	2.0	4.4	1.0	1.8	2.3	1.9	3.6	2.9	2.1	2.6	2.6	5.6	4.4	2.5	2.2	4.2	<b>2.7</b>	2.2	2.4	3.7	2.9	0.9	2.4
July	<b>2.4</b>	2.5	2.0	2.4	3.3	2.1	1.9	4.1	0.9	2.2	2.2	2.0	3.6	3.8	1.9	2.9	2.7	5.7	4.2	2.6	2.1	4.0	<b>2.8</b>	3.1	2.6	3.8	3.1	0.7	2.6
August	<b>2.6</b>	2.7	2.6	3.1	3.4	2.6	2.2	4.2	1.2	2.7	2.4	2.6	3.3	4.5	1.9	3.4	2.8	6.0	3.2	2.5	2.3	3.8	<b>3.2</b>	4.0	3.1	3.8	3.3	0.9	2.5
September	<b>2.6</b>	2.7	2.6	3.4	3.5	2.5	2.1	4.1	0.3	3.5	2.2	2.4	3.4	3.6	1.9	3.3	3.2	6.4	2.9	2.5	2.8	3.8	<b>2.9</b>	5.4	3.7	3.8	3.4	1.0	2.2
October	<b>2.5</b>	2.6	2.7	3.0	3.6	2.3	2.1	4.2	0.9	3.5	2.1	2.1	2.8	2.6	1.6	3.2	3.2	6.0	3.2	3.3	2.9	3.4	<b>2.1</b>	5.0	3.2	3.9	3.5	1.2	2.7
November	<b>2.2</b>	2.4	2.2	2.7	2.8	2.2	1.9	3.8	0.4	3.0	1.6	1.6	2.6	1.4	1.5	2.8	2.7	5.3	3.6	3.2	2.9	2.7	<b>1.9</b>	4.4	2.8	3.5	3.2	0.8	2.7
December	<b>2.2</b>	2.3	2.1	2.8	2.4	1.9	2.0	3.6	0.3	3.0	1.5	1.7	2.6	1.5	1.6	2.9	2.5	5.1	2.8	3.4	2.9	2.2	<b>2.1</b>	4.6	3.1	3.4	3.5	1.0	2.7
2013 January	<b>2.0</b>	2.1	1.5	2.6	1.8	1.0	1.9	3.7	0.0	2.8	1.4	1.5	2.4	2.0	0.6	2.7	2.1	2.8	2.4	3.2	2.8	1.6	<b>0.4</b>	5.1	2.8	2.5	2.6	0.7	2.7
February	<b>1.8 Po</b>	2.0 Po	1.3	2.2	1.8	1.0	1.8	4.0	0.1	2.9	1.2	1.2	2.0	1.8	0.3	2.3	2.4	2.9	1.8	3.2	2.6 Po	1.2	<b>0.2</b>	4.8	2.9	2.2	2.5	0.5	x
March	<b>1.7 f</b>	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	<b>0.7</b>	x	x	x	x	x	x

**Symbols:** f estimated Po provisional Rc revised x not available

**Notes:** (1) From January 2006 onwards: base 100=2005; index rates of change calculated based on indexes rounded up to two decimal places.

(2) Member States belonging to the Euro Area: EA-13 until December 2007, EA-15 until December 2008 (including Malta and Cyprus), EA-16 from January 2009, EA-16 from January 2011 (including Estonia).

(3) European Index of Consumer Prices: EU-15 until April 2004, EU-25 until December 2006 and EU-27 onwards.

**Source:** INE-Portugal and Eurostat.

**Code abbreviations of the Member States:**

<b>BE</b> Belgium	<b>EE</b> Estonia	<b>IT</b> Italy	<b>HU</b> Hungary	<b>PT</b> Portugal	<b>SE</b> Sweden
<b>BG</b> Bulgaria	<b>EL</b> Greece	<b>CY</b> Cyprus	<b>MT</b> Malta	<b>RO</b> Romania	<b>UK</b> United Kingdom
<b>CZ</b> Czech Republic	<b>ES</b> Spain	<b>LV</b> Latvia	<b>NL</b> Netherlands	<b>SI</b> Slovenia	
<b>DK</b> Denmark	<b>FR</b> France	<b>LT</b> Lithuania	<b>AT</b> Austria	<b>SK</b> Slovakia	
<b>DE</b> Germany	<b>IE</b> Ireland	<b>LU</b> Luxembourg	<b>PL</b> Poland	<b>FI</b> Finland	